

In re:

Attorneys Fees in Chapter 13 Cases                 )  
  )  
  )  
  )

Administrative Order No. 06-\_\_

Effective in Cases Filed on or after August 1, 2006

For administrative purposes, attorneys for debtors in Chapter 13 cases are relieved from filing detailed fee applications as required by Rule 2016 of the Federal Rules of Bankruptcy Procedure and Rule 2016-1 of the Local Rules of Bankruptcy Procedure for the Northern District of Alabama if all of the conditions and requirements as set forth in this *Administrative Order on Compensation in Chapter 13 Cases* are met, including:

- A. The attorney for the debtor(s) shall file a Rule 2016(b) Disclosure of Compensation.
- B. The Rule 2016(b) Disclosure of Compensation filed by the attorney for the debtor(s) **SHALL** reflect that the attorney will perform all required and necessary services for the debtor(s) including but not limited to:
1. Counseling with the debtor(s);
  2. Preparing and filing the chapter 13 petition and other documents;
  3. Attending the meeting(s) of creditors and confirmation hearing(s);<sup>1</sup>
  4. Reviewing claims; and filing claims and objecting to claims as necessary;
  5. Filing amendments, motions, adversary proceeding complaints, answers to complaints or any other required pleadings;
  6. Attending all hearings when required; and
  7. Assisting the debtor(s) in petitioning the court to employ special counsel as required.
- C. The fee charged and disclosed by the attorney for the debtor(s) does not exceed \$2,500.00, is for all services rendered, and is the total amount for the length and duration of the case. Attorneys are directed that 1) the fees charged should be commensurate with the nature and complexity of the case and should be based upon the reasonably anticipated amount of time to be expended on the case; and

<sup>1</sup> The attorney of record or an attorney with the law firm of record must appear to comply with this requirement.

2) all services must be performed competently, consistent with and in compliance with the Bankruptcy Code and Rules. If the attorney fails to perform any or all services as required in Paragraph B. above, then the Judge may refrain from awarding a fee and the Confirmation Order may require the filing of a fee application. Further, if the fees charged are excessive based upon the complexity of the case or the attorney's lack of competency, the Judge may reduce the fees to an appropriate amount.

## II. Proposal for Payment of Fees

The attorney for the debtor(s) shall include in the chapter 13 plan a detailed proposal consistent with the Bankruptcy Code as to how the attorney fee is to be distributed and paid by the Chapter 13 Trustee and whether any portion of the fee was paid pre-petition.

## III. Attorney Fee Applications

The attorney for the debtor(s) may elect not to seek fees under Section I. In that event, the attorney shall file a detailed fee application for **all** fees in the case pursuant to Rule 2016(a) of the Federal Rules of Bankruptcy Procedure and the cases decided by the Eleventh Circuit Court of Appeals. The application shall also be in compliance with Local Rule 2016-1. The Bankruptcy Administrator will be expected to review or be responsible for reviewing those applications.

If the attorney for the debtor(s) is awarded a fee pursuant to Section I. of this *Administrative Order on Compensation in Chapter 13 Cases* and thereafter seeks compensation in excess of that amount, the attorney shall file a detailed fee application for **all** fees in the case as described in this Section III. and pursuant to Rule 2016(a) of the Federal Rules of Bankruptcy Procedure and Rule 2016-1 of the Local Rules of Bankruptcy Procedure for the Northern District of Alabama. The attorney seeking additional fees shall be prepared at the hearing to provide evidence as to the extraordinary tasks required in the case and why additional fees are sought and due.

## IV. Acceptance and Agreement to Provisions in this Order

If the attorney for the chapter 13 debtor requests a fee based upon this *Administrative Order on Compensation in Chapter 13 Cases*, then she/he accepts and agrees to the terms and provisions of this Administrative Order.

## V. Chapter 13 Trustee Review and Objections

The Chapter 13 Trustee shall review each fee request based on the petition and schedules and the attorney's participation in all stages of the case and further consistent with the appropriate and relevant factors regarding awards of compensation including the attorney's skill, experience,

and competence. The Trustee is directed that he or she shall file an objection to the requested fees or the proposed payment of fees if either or both appear to be unreasonable, excessive, or inconsistent with the Bankruptcy Code and Rules. The Chapter 13 Trustee shall advise the Court if the attorney fails to appear in person at any creditor meeting or hearing.

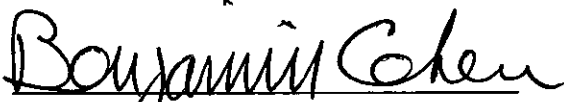
#### VI. Attorney Fees on Dismissal or Conversion

In the event that no plan is confirmed and the case is dismissed or converted, the Court may award compensation.

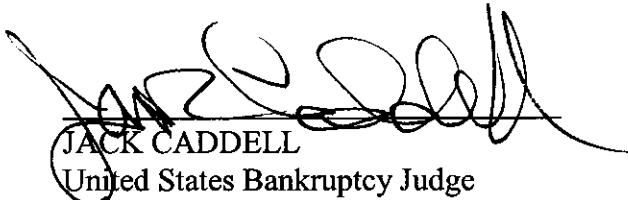
#### VII. Court Review

The Court may review any and all fees requested. *Norman v. Housing Authority of Montgomery*, 836 F.2d 1292, 1303 (11th Cir. 1988).

Date signed: 7/28/06

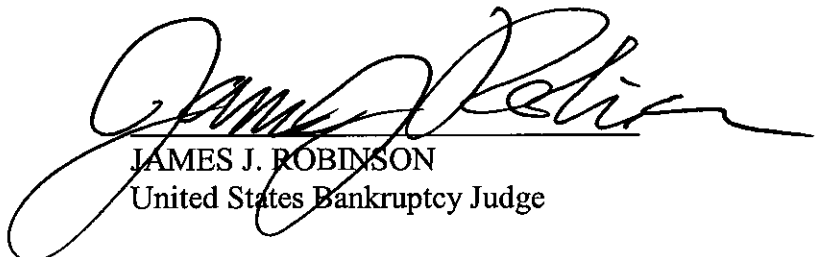
  
BENJAMIN COHEN  
Chief United States Bankruptcy Judge

  
TAMARA O. MITCHELL  
United States Bankruptcy Judge

  
JACK CADDELL  
United States Bankruptcy Judge

  
THOMAS B. BENNETT  
United States Bankruptcy Judge

  
C. MICHAEL STILSON  
United States Bankruptcy Judge

  
JAMES J. ROBINSON  
United States Bankruptcy Judge